COMPETENCE

FOR SPECIALIZED RETAIL IN TELECOMMUNICATION, CONSUMER ELECTRONICS, IT, PHOTO AND OFFICE

EDITION 2



ŒBIT Competence Store

Register now for free:

Exclusive for your Competence Store

- the CeBIT advertising materials pack

HOT-LINKS

Here's exactly how you can quickly and easily complete your retail business plan to raise finance and maximize your financial results: www.teneric.co.uk/retail-businessplan.html

On this site, you can read about the fictitious retailer "Jackson's Department Store". An entire background scenario is provided for this operation. Test your business know-how at http://strategis.ic.gc.ca/epic/ internet/inretra-comde.nsf/en/ h qn00074e.html

IBM's U.S. site offers interesting information to helping retailers stand out from the competition: www-306.ibm.com/able/industries/ retail/execbrief advantage.html

We support you in your everyday work with free POS merchandise and regular news. As a registered participant on the Competence Store program, you will receive, for example, the printed edition of Competence News 5 times annually, with up-to-date trade-related information. We also support you in promoting yourself to the outside world, using practical and effective advertising materials that we have put together in a

Why not benefit from the strength of the "CeBIT" brand to boost your own marketing? As a member of the CeBIT Competence Store program, you can pick up the pack at any time for free. This contains a wall clock for your store, a small banner for indoor or outdoor use, and window stickers. The mailing stickers for your commercial correspondence turn each of your letters into an advertising medium and reinforce your professional image.

materials is register as a partner on the Competence Store program at www.cebit.de/competencestore_e. Naturally this is a free, no-obligation service that can be canceled at any time.

Competence Store

We wish you every success.

POS pack. All you have to do to order these free

CeBIT 2007 – growth continues at decision-maker trade fair

From the smallest chip to the largest computer, from the most advanced games computers to precision tools, and from the Smartphone to Ethernet, only CeBIT in Hannover truly showcases everything the information and telecommunications technology and consumer electronics markets have to offer. And that's not all. CeBIT also sets trends,

shows how individual components interact with each other, and makes everyone's jobs and private lives much easier. This trade fair creates new market demands each year, producing direct benefits for resellers as they can offer their customers a stream of exciting innovations and increasingly converging products.

What does triple play actually mean for business customers? Does digital lifestyle change classical business models? How secure is IT on the web? What effect is Vista having on the business world and private end users? Find the answers at CeBIT in Hannover from 15 to 21 March 2007.

HOT-NEWS

Slimming cure for the projector

CASIO has launched two new super-slim projectors in the 2,000 ANSI lumen class – the XJ-S35 and XJ-S30. They are smaller than A4 and weigh only 1.8 kg, making them the slimmest in their category. The XJ-S35 enables presentations without a PC or laptop, with the projector



importing the necessary data from standard USB storage media. With the XJ-S30, this task is performed by the multifunctional YP-

100 presentation kit. The book-sized device supports USB sticks and is connected to the projector by means of an RGB cable.

The camera for Nils Karlsson-Däumling

Olympus presents the E-400, the world's smallest and lightest digital reflex camera. The housing measures all of 130 x 91 x 53 mm and weighs 380 grams. The newly developed CCD

with 10 million pixels ensures remarkable display performance which can be viewed comfortably on the 6.4 cm LCD. The E-400's compatibility with the Four Thirds interchan-



geable lens system gives it great flexibility when it comes to selecting lenses. The Olympus E-400 will be available from the end of October 2006.

A little helper in the car, office, and home

The "BTC 700" Bluetooth Music Car Kit from Vivanco has no disruptive cables and involves no annoying installation work, making it suitable for any application. This small, portable speakerphone is the perfect addition to all bluetoothenabled cellphones with an MP3 player, whether in the car as a hands-free device, in the office to play mailbox messages or for personal MP3 enjoyment. The BTC 700 supports the A2DP, AVRCP, HFP, and HSP audio profiles and can therefore transmit a whole range of signals, such as cellphone signals and MP3 music data.

Norton makes life difficult for hackers and phishers

Symantec is launching the new 2007 versions of Norton AntiVirus and Norton Internet Security. Security software for private users has been specifically enhanced to ward off the latest online threats. A new feature enables Norton AntiVirus 2007 to also detect unknown versions of viruses and worms, even if signatures do not match. Detection and removal of disguised destructive programs (rootkits) and spyware have also been considerably improved. To offer

more security against today's online dangers, the Norton Internet Security 2007 security suite combines Norton AntiVirus 2007 with other key functions such as a firewall, intrusion blocking to protect security gaps in the operating system and application software (intrusion prevention system), and a new anti-phishing tool. The software has been revised throughout and uses system resources much less than before, making complete scans of the computer and booting up noticeably faster. Norton Internet Security 2007 and Norton AntiVirus 2007 are now available from dealers.

Freecom Storage Gateway now wireless

Storage expert Freecom Technologies presents the WLAN version of its NAS Freecom Storage Gateway (FSG) product. FSG WLAN is compatible with all standard operating systems and suitable as a versatile data center for up to 30 users. FSG WLAN meets all the necessary standards/protocols to build a local network and, thanks to a clearly structured user interface, to conveniently manage it, safeguard it, and connect it easily to the Internet.

FSG integrates a server, router (3x LAN/1x WAN), and USB server in a handy housing. Terminal equipment including printers, USB sticks, and MP3

players can be used by all network users via the four USB ports.

The launch of the wireless version sees Freecom offering the Storage Gateway with added



features. An e-mail and AV media server (TwonkyVision) have been added to existing servers such as HTTP, FTP, and DHCP

The digital way of life

Gone are the days when the PC was banished from the living room because of its dull appearance. The unusual design of the new Sony Entertainment PC series VAIO LA1 and XL200 adds a special style to every living environment. Yet the specifications of the LA1 are reminiscent of a well equipped desktop PC, with an Intel Core 2 dual processor, a high-performance NVIDIA GeForce Go 7400 graphics card with NVIDIA TurboCache, and wireless LAN compliant with the 802.11 a/b/g on board standard. An integrated hybrid TV tuner enables conventional analog and digital terrestrial (DVB-T) TV viewing. The 300 GB hard drive offers more than enough space to record TV programs and movies.

PCs from the XL200 series boast a subtle, attractive look in black and silver. The XL200 can be used as a stand-alone device and connected to a TV set as a DVD player or hard disk drive recorder, for example. The XL200 is particularly suitable for connection to HD-ready TV sets as it features an HDMI port as well as other component outputs.

Tips/service

for speciality retailing

Customers with money to spend: "55 plus generation"

- Number of older customers on the rise
- Senior citizens have a high income and spend it too

No trend will change European societies like the change in the age pyramid, which sees birthrates falling while life expectancy rises and the number of older people in our society increases rapidly. Indeed, according to official projections, by 2050, the number of young persons in Europe (aged 0-14) will drop by 18 percent, whereas the elderly population aged 65+ will rise sharply, by 58 million (or 77 percent). This creates enormous sales opportunities for trade and industry. A full version of this article and a checklist are available, as always, at www.cebit.de/competencestore_e.

This is a highly mixed group of people who today, more than ever before, are defined by their way of life and attitudes and not by their age. More and more of today's senior citizens come from the postwar rather than the war generation. Increasingly, they are physically fit, financially strong, freespending, and think "young". This has therefore created a new and attractive target group.

Senior citizens are a fast growing group of users

Older people particularly like to shop at specialist stores. Many do not look primarily at the price, attaching more importance to the credo that "quality is more important than price".

Maybe you think these customers are not relevant for your technically-oriented products. You could not be more wrong. Senior citizens have become a fast growing target group.

Studies show that computer user figures are continuing to rise, especially among senior citizens, and these increases are considerable. The internet has long been familiar ground to them and the 55 plus generation orders more online than the average. It is a similar story for cellphones. Scarcely any more completely new mobile phone customers can be won from among under 40-year olds. The situation is totally different with senior citizens, who are increasingly discovering the benefits of a cellphone. They just need to be targeted in the right way. Most older cellphone users are iust looking to make calls.

Change is also underway for audio media, with the mass market in this sector already focusing primarily on older consumers. The greatest spending potential is to be found in this age group and not among young people.

Marketing for the 55 plus – the importance of personal service

Layout of sales space

A clear layout and a pleasant atmosphere in which to make purchases are crucial. Bright lights should be avoided and loud colors are also unnerving for older customers. Wide aisles with a non-slip floor covering, on the other hand, promote a picture of calmness and clarity which is ideal for shopping. Unnecessary steps and turnstiles are obstacles that are difficult to negotiate. Product information on packaging, price tags, and advertising material displayed in the store should be easy to read.



The point of sale is valued by senior citizens in particular as a place for interpersonal communication. Helpful, friendly sales staff are therefore essential for a successful sales pitch. Time should be spent to provide professional service. There is no place for either jargon or impatience.

Customer benefits

Selecting the right products is also critically important and these should be tailored to the target group's needs. These customers are keener than others to ask about specific benefits of goods. This means you should communicate the benefits that are particularly relevant for the 55 plus generation. Cellphones create independence from telephone booths, which are becoming less and less common. Customers can use e-mail to keep in touch with their families. High-quality speakers make new music recordings sound like a concert hall. These are the key sales arguments. The equipment's technical specs come in only second or third place.

Basically, good service combined with the right product range and an attractive store design is the best customer loyalty instrument. Older people want to be taken seriously. When they are, they generally remain faithful to "their" dealer. Added to this is the snowball effect as older buyers often rely on tips and advice from their friends. And successful word of mouth could mean that comparatively low additional input pays off for you in hard cash.

Palm sets its sights on Europe

The old continent was not exactly the center point of Palm's sales activities in the past. This is set to change in the future, announced John Hartnett, the company's Senior Vice President Worldwide Sales, in an interview with the "Berliner Zeitung". Europe is strategically the most important market, he said. The company points to impressive figures, with market research companies forecasting that worldwide

sales of Smartphones will reach EUR 43 billion in 2009, with Europe accounting for 44 percent of this. Well over a billon cellphones will be sold around the world annually in this period. Hartnett is confident that, in Vodafone, he has now found a strong partner to sell the products in Europe. Large UMTS networks facilitating fast data communication can also be used for the expansion, explained Hartnett.

Hartnett did not wish to specify unit sales figures for the European market but referred to the enormous success in the U.S., where market share for Smartphones has risen from zero two years ago to around 32 percent now. Targets for Europe are similar. "We are looking to become the global market leader in Smartphones," says Hartnett, emphasizing his company's goals.

PC manufacturers to face increased competition from consumer electronics this holiday season

Worldwide PC shipments are on pace to total 233.7 million units in 2006, a 10.5 percent increase on 2005. However, worldwide PC revenue is expected to be \$198.3 billion, a 2.5 percent decline, according to a preliminary forecast by consulting firm Gartner, Inc.

"Unit growth will continue to be price driven for the next several quarters as PC replacement activity wanes and the battle between Intel and AMD escalates," said George Shiffler, research director at Gartner. "Steeper PC price declines will spur unit growth in mature markets like the United States over the near term, but growth will eventually slow to mid-single digits in these markets as PC replacements fade and saturation becomes more problematic.

Vista's eventual release next year could stimulate some added growth, but we remain skeptical of Vista's impact."

This development also means opportunities for certain regions as price drops on emerging markets always stimulate unit sales.

Gartner views this growth as more sustainable on these markets due to low penetration, expanding economies, and a growing number of PC ownership initiatives. Emerging markets are expected to post solid double-digit growth during the next two years. PCs will have a difficult time competing for consumer wallet share this holiday season. Excess production capacity has lowered LCD panel prices, and that has cut the prices of LCD TVs. The prices of many other consumer "life-style" electronics are falling as well, putting them in direct price competition with PCs.



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